

STAT

1963

CONGRESSIONAL RECORD — SENATE

18537

By Mr. PASTORE, from the Committee on Commerce, with amendments:

S. 930. A bill to amend sections 308 and 310 of the Communications Act of 1934, as amended, to provide that the Federal Communications Commission may, if it finds that the public interest, convenience, or necessity may be served, issue authorizations, but not licenses, for alien amateur radio operators to operate their amateur radio stations in the United States, its possessions, and the Commonwealth of Puerto Rico provided there is in effect a bilateral agreement between the United States and the alien's government for such operation by United States amateurs on a reciprocal basis (Rept. No. 562).

EXECUTIVE REPORT OF A COMMITTEE

As in executive session.

The following favorable report of a nomination was submitted:

By Mr. RUSSELL, from the Committee on Armed Services:

Lt. Gen. Wallace M. Greene, Jr., U.S. Marine Corps, to be Commandant of the Marine Corps, with the rank of general.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. YARBOROUGH:

S. 2235. A bill for the relief of Mauricio Reyes; to the Committee on the Judiciary.

By Mr. BOGGS:

S. 2236. A bill for the relief of Lena Woo Djeu and Vung-Shung Djeu also known as Victor Djeu; to the Committee on the Judiciary.

By Mr. SPARKMAN:

S. 2237. A bill for the relief of Henry H. Balch, a retired Foreign Service officer; to the Committee on Foreign Relations.

CONCURRENT RESOLUTIONS

GREETINGS TO MONTICELLO COLLEGE, GODFREY, ILL.

Mr. DIRKSEN submitted a concurrent resolution (S. Con. Res. 52) extending greetings to Monticello College at Godfrey, Ill., upon the occasion of the dedication of Hatheway Hall on October 18, 1963, which was referred to the Committee on the Judiciary.

(See the above concurrent resolution printed in full when submitted by Mr. DIRKSEN, which appears under a separate heading.)

STRENGTHENING AND DEFENSE OF LATIN AMERICA AGAINST COMMUNISM

Mr. JAVITS (for himself and Mr. MORSE) submitted a concurrent resolution (S. Con. Res. 63) to authorize the President to cooperate with nations in Latin America for the strengthening and defense of Latin America against the loss of self-determination or the assault of internal communism, which was referred to the Committee on Foreign Relations.

(See the above concurrent resolution printed in full when submitted by Mr. JAVITS, which appears under a separate heading.)

SUPPORT OF THE PRESIDENT IN HIS EFFORTS TO ACHIEVE DISARMAMENT

Mr. CLARK (for himself, and Senators RANDOLPH, YOUNG of Ohio, BARTLETT, INOUYE, GRUENING, LONG of Missouri, MOSS, MCGOVERN, CHURCH, NEUBERGER, HART, WILLIAMS of New Jersey, MCGEE, HUMPHREY, and BURDICK) submitted a concurrent resolution (S. Con. Res. 64) favoring support of the President in his efforts to achieve disarmament, which was referred to the Committee on Foreign Relations.

(See the above concurrent resolution printed in full when submitted by Mr. CLARK, which appears under a separate heading.)

RESOLUTION

SHIPMENT OF WHEAT SOLD TO RUSSIA IN AMERICAN-FLAG VESSELS

Mr. SCOTT submitted the following resolution (S. Res. 214); which was referred to the Committee on Commerce:

Whereas the United States Government has indicated its willingness to permit the sale of millions of bushels of wheat to the Soviet Union; and

Whereas it is the policy of the United States Government to encourage the use of American-flag vessels wherever possible to assist in the Nation's balance-of-payments posture; and

Whereas the American maritime industry is in a depressed state and employment in the industry is at a low level; and

Whereas the President has declared that "the wheat we sell to the Soviet Union will be carried in available American ships"; Therefore be it

Resolved, That it is the sense of the Senate that the shipping policy voiced by the President be fully implemented; and be it further

Resolved, That one of the conditions of the sale of wheat should be the mandatory participation of United States-flag vessels in the delivery of not less than fifty percent of the cargoes involved in such transactions; and be it further

Resolved, That foreign-flag vessels which have engaged in transportation of cargoes to Cuba since the Presidential embargo shall under all circumstances be barred from participation in the delivery of such wheat.

REPEAL OF ACT RELATING TO EMPLOYMENT OF PINKERTON DETECTIVE AGENCY—AMENDMENTS (AMENDMENT NO. 223)

Mr. MCLELLAN submitted amendments, intended to be proposed by him, to the bill (S. 1543) to repeal that portion of the act of March 3, 1893, which prohibits the employment, in any Government service or by any officer of the District of Columbia, of any employee of the Pinkerton Detective Agency or any similar agency, which were ordered to lie on the table and to be printed.

AMENDMENT OF INTERNAL REVENUE CODE OF 1954, TO REDUCE INDIVIDUAL AND CORPORATE INCOME TAXES—AMENDMENTS (AMENDMENTS NOS. 224 AND 225)

Mr. GORE. Mr. President, I send to the desk for appropriate reference two

amendments I expect to offer to the tax bill, H.R. 8363.

Both of these amendments deal with problems of tax reform. Both move in the direction the administration has indicated it wants to go. The Treasury Department, in the very recent past, has supported the concept and purpose of these amendments. I would hope for, and shall expect, support from the Treasury for these amendments.

The first amendment deals with the problem posed by large enterprises which organize artificially in a multi-corporate form. In this way, it is often possible to hold down the corporate tax to the 30-percent level, or 22-percent level if H.R. 8363 becomes law, rather than having the greater part of taxable income receive the 52-percent rate, or 48-percent rate under this bill.

The Ways and Means Committee recognized that this bill would lend added encouragement to and bestow vastly greater benefits on those who are in a position to set up a multicorporate structure, and provided that a group of corporations under common ownership shall file a consolidated return, or share one surtax exemption among all the corporations involved. An alternative was provided, however, by allowing each corporation a surtax exemption but imposing a 6-percent penalty tax on the first \$25,000 of its taxable income. This, as I say, serves to give recognition to the problem, but hardly provides an appropriate remedy.

My amendment would remove the alternative method of filing multiple returns and paying the 6-percent penalty, thus requiring corporations under common ownership to file a consolidated return or share one surtax exemption. This would help to insure to truly small businesses the tax advantage ostensibly given them by this bill.

The second amendment is, perhaps, more controversial, although its equity can hardly be questioned.

In his January message, President Kennedy recommended that a tax be imposed at death on certain unrealized capital gains. This appeared harsh to some and would have caused some practical difficulties although it is theoretically a correct position. It was decided, then, to carry forward the decedent's basis so that eventually a capital gains tax would be paid by someone.

The Ways and Means Committee adopted a provision to accomplish this very worthwhile purpose and objective, after having watered down the provision with all sorts of adjustments and additions to basis in various instances. But at the proverbial 11th hour even this was discarded.

With the assistance of the very able experts of the Legislative Counsel I believe I have here a good draft.

I shall press for adoption of these amendments and hope for Treasury support.

The PRESIDENT pro tempore. The amendments will be received, printed, and appropriately referred.

The amendments (Nos. 224 and 225) were referred to the Committee on Finance.

Page Denied